

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7415

BILL NUMBER: HB 1973

DATE PREPARED: Feb 27, 2001

BILL AMENDED: Feb 26, 2001

SUBJECT: Corn Marketing Council.

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill amends the definition of "market development." The bill makes the Attorney General the legal adviser for the Indiana Corn Marketing Council. It changes the composition of the council member districts. The Dean of the Purdue University School of Agriculture and two representatives of first purchaser organizations are members of the Council. A producer who seeks to be placed on the ballot must have a petition signed by 10 other producers. The Council may not spend more than 10% of the money it receives in administrative costs. The bill makes a voluntary rate of assessment of one half cent per bushel for corn and makes the rate of assessment fifty cents per unit for seed corn. The bill repeals a provision that allows a referendum to establish or terminate the Indiana Corn Marketing Council. The bill also establishes procedures for the initial election of council members. It also staggers the terms of the initial members.

Effective Date: May 15, 2001; July 1, 2001.

Explanation of State Expenditures: The bill makes the Attorney General the legal adviser for the Indiana Corn Marketing Council. The Office of the Attorney General should be able to absorb any additional expenses incurred as a result of this provision given the Office's current budget.

Purdue University Extension Services would have to provide ballots for the initial election of Council members. An estimated 30,000 corn producers in the state would be eligible to vote. The Indiana Corn Marketing Council would cover the expenses of the election and seek reimbursement after assessments on corn begin to be collected.

Explanation of State Revenues: (Revised) This bill makes a voluntary rate of assessment of one half cent per bushel for corn and makes the rate of assessment fifty cents per unit for seed corn. The money collected is deposited with the Indiana Corn Marketing Council and not in the State General Fund nor a state dedicated fund. The proposal is expected to generate about \$1 M per year.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General and Purdue University Extensions.

Local Agencies Affected:

Information Sources: Mike Aylesworth, President, Indiana Corn Marketing Council, (219) 405-9980.